

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3350 – SB 3550

February 12, 2010

SUMMARY OF BILL: Requires all departments to prepare a statement of benefit for any proposed new, amended, or appealed rule and submit the statement to the Secretary of State's office with the proposed rule. Requires the Fiscal Review Committee, within seven days of the rule's adoption, to furnish the adopting agency and the Secretary of State a statement of fiscal impact analysis that includes an estimate of the anticipated change in revenue, expenditures, or fiscal liability under the rule. Requires the Fiscal Review Committee to provide an annual cumulative fiscal impact statement showing impacts on both private and public entities.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$175,000/One-Time
\$335,000/Recurring**

Assumptions:

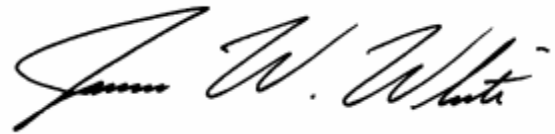
- According to the Office of the Secretary of State, there were approximately 1200 new, amended, or repealed rules submitted in 2009.
- Substantial economic and market analysis will be required by the Fiscal Review Committee staff. The Committee will require four new economist positions at a recurring cost of \$268,000 which includes salary (\$50,000) and benefits (\$17,000) for each position. One-time costs of \$20,000 include computer equipment and office supplies for each position (\$5,000 x 4) to conduct the analysis required by this bill.
- One additional Statistical Research Specialist position will be required by the Department of Economic and Community Development (ECD) at a recurring cost of \$67,000 which includes salary (\$50,000) and benefits (\$17,000). One-time costs of \$5,000 include computer equipment and office supplies.

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- ECD will require a one-time increase in expenditures of \$150,000 for a computer model incorporating the multiple variables, complexities, and long-range factors involved in meeting the requirements of this bill.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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